

CYPRESS SPRINGS SPECIAL UTILITY DISTRICT

114 FM 115 Mount Vernon, Texas

*903-588-2081 * Fax 903-588-2085*

E-Mail office@cssud.org Website: www.cssudpay.com

REGULAR BOARD MINUTES

October 14, 2025

The Cypress Springs Special Utility District Board of Directors met on Tuesday, October 14, 2025, in the Board Room of the Cypress Springs Special Utility District Office located at 114 FM 115 for their monthly meeting.

Call to order and declaration of quorum by President Larry Daniel

Directors Present: President Larry Daniel, Secretary-Treasurer Lloyd Parker, Director Jerry Hammond, Director Richard Hughes, Director Rex Tillery, Director Brad Sears, Director Todd Jagers, and Director Neuman Browning.

Directors Absent: Vice President Richard Starek, Director Jeff Cohen, and Director Chad Neal

Also Present: Kevin Spence, Jean Sparks, and Stan Hayes

Public Attendance Consisted of: N/A

Public Comment: N/A

Invocation: Secretary-Treasurer Lloyd Parker

President Larry Daniel requested a motion and a second to approve the consent items. Director Jerry Hammond made a motion, seconded by Director Rex Tillery, to accept the Minutes from September 9, 2025, as written, the Treasurer's Report, and Aged Payables/Replenish Petty Cash Checking to \$20,000.00. The motions carried with no dissent.

Manager's Reports / Unfinished Business:

Manager Kevin Spence reported that the east and south plant lagoons have undergone their annual cleanout, which totaled 543,000 gallons. There has been a price increase for the first time in several years.

Manager Kevin Spence reported that the office was built in 2008-2009 and requires repainting. Some seams and trim joints require recaulking, while others may need replacement. Bids will be obtained from local contractors.

Manager Kevin Spence reported that the smaller ditch witch used for laying the smaller water lines needs to be replaced. Replacement parts are no longer available, and bids for a new ditch witch will be obtained for the 2026 budget.

Manager Kevin Spence reported that Cornersville W.S.C. is purchasing 10 used meters a month at \$1,000 an additional 1,000 used master meters from. Other than that, it has been a routine maintenance month.

Manager Kevin Spence reported that the TexSTAR account is performing exactly as advertised. It has been a good month, with a recommendation to transfer an additional \$10,000 to the TexSTAR account. After discussion, Director Neuman Browning made a motion, which was seconded by Director Todd Jagers, to transfer \$10,000 into the TexSTAR account in October 2025.

Manager Kevin Spence reported Ready Manager currently has approximately 5,410 meters installed, with 754 yet not being picked up by a collector. This results in a performance rate of 86.7%, an increase from 84.5% last year, indicating improvements in meter collection. All meters have now been replaced with Kamstrup models. There is one pending invoice. We have submitted an invoice for damages and losses incurred during the contracted change-out crew's work and are awaiting the results.

Manager Kevin Spence handed the meeting over to Stan Hayes from Hayes Engineering to provide updates on the Grant Loan for the north plant upgrade. Stan reported that the TCEQ has granted us approval, and we are now awaiting approval from the USDA for the electrical engineering plans, which are necessary for the bidding process. Additionally, new requirements from the federal funding, under the Build America, Buy America (BABA) Act, have been implemented. For instance, all PVC must be made in the USA, and the PVC planned initially is from Canada. Additionally, there are new forms that have just been updated and need to be completed with our information. The process is slow, particularly because government workers are retiring early.

Manager's Reports / New Business:

Manager Kevin Spence reported that Jean, Raegan, Dillon, and I will be attending the Office Professionals Conference at Frisco in November. The conference will provide an overview of all legislative changes implemented after the 2025 legislative sessions.

Manager Kevin Spence requested that November's board meeting be moved from Tuesday, the 11th, to Thursday, the 13th, due to the Veterans' Day closure. Director Rex Tillery made a motion, seconded by Secretary-Treasurer Lloyd Parker, to reschedule the November 11, 2025, board meeting for Thursday, November 13, 2025.

Manager Kevin Spence reported that the District 11 Meeting is scheduled to take place at The Wildflower Wedding & Special Event Venue in Emory on October 29, 2025, from 10:00 AM to 1:15 PM. Please inform Jean of who will be attending as soon as possible so she can register everyone before the meeting.

There being no further business, Director Neuman Browning made a motion, seconded by Director Richard Hughes, to adjourn the meeting at 6:20 PM. The motion carried with no dissent.

Approved